GOVERNMENT OF INDIA
LABOUR AND EMPLOYMENT
LOK SABHA

UNSTARRED QUESTION NO:734
ANSWERED ON:27.11.2006
FIXATION OF RATE OF INTEREST FOR EPF
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Will the Minister of LABOUR AND EMPLOYMENT be pleased to state:

(a) whether the current rate of interest on Employees Provident Fund (EPF) (8.5 percent) was not tenable as it would leave a deficit of Rs. 450 crore for EPF;

(b) if so, the details thereof;

(c) whether the EPFO failed to take a decision on fixing the rate of interest for the EPF for the year 2006-07; and

(d) if so, the reasons therefor?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF LABOUR AND EMPLOYMENT (SHRI OSCAR FERNANDES)

(a) to (d): As per para 60(1) of the Employees` Provident Fund Scheme 1952, the interest rate shall be determined by the Central Government in consultation with the Central Board of Trustees, Employees Provident Fund. No recommendations have so far been made by the Central Board of Trustees, Employees` Provident Fund on the rate of interest for the current year.